

# **Exhibit 20**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

US SECURITIES AND EXCHANGE : Civil Action No:  
COMMISSION : 11-Civ-9645 (RJS)

Plaintiff

-v-

ELEK STRAUB  
ANDRAS BALOGH, and  
TAMAS MORVAI

Defendants

DEPOSITION

OF

Zoltan Galig

On Tuesday, January 20th 2015  
Commencing at 8:30 am

Taken at:

Budapest Courthouse  
Miklos utca 2  
Budapest Hungary

Reported by: Miss Pamela Henley  
Job No. 89035

1 Mr Zoltan Galig  
2 this, you can tick paragraph 2 as well which is --  
3 which deals with interconnectivity, and with  
4 respect to paragraph 3 in the letter following it  
5 we also indicate that the bylaw contains EU  
6 compliant elements in SNP.

7 Q. Mr Galig, I do not have the same  
8 technical qualifications that you have, so I am  
9 going to ask you some more smaller simpler  
10 questions on these same subjects to help me  
11 understand. When you said you were looking at the  
12 next document were you referring to Exhibit 614?

13 A. 615.

14 Q. You were looking at Exhibit 615.

15 Let us look together at 615 and 614.

16 THE COURT SECRETARY: I hope you do  
17 not mind the interruption because if you have many  
18 more questions, if you do, I would like to take  
19 the opportunity to dictate what has been stated so  
20 far for the minutes.

21 MR DODGE: Now would probably be a  
22 good time to dictate.

23 THE COURT SECRETARY: Document 612  
24 with connection to page 3 of that document, the  
25 part dealing with December 24th and with

1 Mr Zoltan Galig  
2 December 25th -- December 24th to 26th actually,  
3 so with respect to the section dealing with  
4 December 24th-26th I have no recollections of the  
5 events described therein. This was Christmas time.  
6 I must have been on holiday at that time, and I  
7 received information from Mr Siljanovski at a  
8 later point in time. Now that I am reading the  
9 sequence of events I can recall sharing that  
10 information with him. This step was written by  
11 Mr Siljanovski and this is what I heard from him  
12 at that time, what is to be read from the text.  
13 Mr Siljanovski said to me that these developments  
14 were important from the point of view of MakTel.  
15 These were actually negative developments  
16 vis-a-vis the earlier version that we knew, but as  
17 I had said we could still live with these changes.

18 In connection with page 575 which  
19 deals with the December 27th -- the term "ODV" as  
20 it is -- it also shows on the previous page means  
21 that it was an official draft version, the acronym  
22 means official draft version. I do not remember  
23 whether this is identical with the version I had  
24 seen. As I have stated, that was Christmas time  
25 and I was on vacation. So I do not have

1 Mr Zoltan Galig  
2 recollections of events taking place at MakTel in  
3 that period of time. If I could see a document  
4 from that time that might help to do so. I have  
5 no other memories. There may have been other  
6 matters. May have prepared analyses. During time  
7 those bylaws were drafted we worked long hours  
8 regularly. I cannot recall this particular period  
9 of time that life would have sped up even further.

10 As to when those bylaws were being  
11 drafted I cannot exactly recall. The information I  
12 have is really coming from the documents I am  
13 looking at now.

14 In connection with Exhibit 613 on  
15 page 43002 with respect to that page I can say  
16 this, as I have said we did prepare a to do list  
17 as to what the bylaws should look like, but the  
18 exact items on that wish list are beyond my  
19 recollection. The tasks contained on this  
20 particular page may have been on the list. You can  
21 confirm that and the answer is a nod. I believe  
22 that this list was prepared after the bylaw was  
23 accepted, but when exactly happened is something I  
24 cannot tell.

25 I assume that Attila Szendrei, who

1 Mr Zoltan Galig  
2 was the director of Telemacedonia, asked for this.  
3 Whether the director at that time was Mr Vaclavik  
4 or not is something I cannot exactly remember. And  
5 I do not remember either to whom we actually gave  
6 this list to. We had to send it by email and I  
7 believe that this can be traced back.

8 As to page 43004 where there is a  
9 certificate of performance this is the first time  
10 that I ever see it. It is dated July 31st, 2005,  
11 signed by Mr Zoltan Kisjuhasz. As to Mr Kisjuhasz  
12 I can share with you that he was a lawyer of  
13 Magyar Telekom and Stonebridge. What I do not  
14 remember is whether the tasks that feature in item  
15 number 1 or paragraph 1 whether it was complied  
16 with or when I was asked to complete. I do not  
17 remember, but it can be that I had to write a  
18 report about it. The task that is in here is also  
19 connected to the to do list we prepared. I do not  
20 remember whether this particular objective was met  
21 or not as per the state of affairs in July 2005.  
22 As to whether I would I have reason to believe it  
23 was not complied with or not my answer is no, I  
24 would not know. But I can see in the next letter  
25 that the bylaw was approved. Was passed. The

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1 Mr Zoltan Galig  
2 costing methodology was part of that. And as to  
3 tasks detailed in item 2 and 3 of the email what I  
4 see in the following letter is that these are  
5 tasks that are contained in the bylaws.

6 Thank you very much and apologies  
7 for interrupting you.

8 BY MR DODGE:

9 Q. Mr Galig, we were looking at two  
10 documents we were looking at together, one is  
11 Exhibit 613 on the last page of that exhibit, the  
12 other one is Exhibit 615, and turning first to  
13 Exhibit 613 and with paragraph numbered 1 and the  
14 reference there to a costing methodology  
15 beneficial to MakTel, my question is, what bylaws  
16 were relevant to that?

17 A. I said that -- well, I said that  
18 this item number 1 actually features, or is  
19 connected to Exhibit Number 616.

20 Q. Okay.

21 A. And this is item -- the first  
22 sentence of Exhibit 616 is the one that is  
23 relevant here. The English translation is a little  
24 bit misleading because fully separated costs  
25 should be understood as fully distributed costs.

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1 Mr Zoltan Galig  
2 bylaws were relevant to that element?

3 A. It was RIO, RIO was to have  
4 included that, if it included. Third party billing  
5 is a service granted by the wholesale provider --  
6 by wholesale provider to an alternative provider.  
7 That is to say it was a wholesale obligation which  
8 has to feature in RIO.

9 Q. So based on Exhibit 616 and the  
10 email that you wrote there and the testimony that  
11 you just gave is it correct that success element  
12 number 2 was also achieved, in your view, by  
13 July 31st, 2005?

14 A. Yes.

15 Q. And --

16 A. I am hesitating a little bit  
17 because what I said before also holds true here.  
18 I saw -- I do not know whether it was complied  
19 with, whether it was met within the scope of the  
20 contract, or whether it would have been met even  
21 without such a contract.

22 Q. -- well, on -- if you look at the  
23 last page of Exhibit 613 Mr Kisjuhasz is  
24 certifying that these success elements were met as  
25 of July 31st 2005; is that your understanding? Do

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1 Mr Zoltan Galig  
2 Q. So can you tell me what -- I guess  
3 in answer to my question is, is it the RIO bylaw  
4 that is relevant to the costing methodology?

5 A. Yes. The third sentence starts with  
6 the phrase, "fee setting".

7 Q. Can you tell from the email that  
8 you wrote in Exhibit 616 whether the target was  
9 achieved with respect to that bylaw, at least as  
10 of August 11, 2005?

11 A. Well, I -- yes, I did presume at  
12 the time because the letter is dated August 11,  
13 2004. Yes, and if you calculate back from that it  
14 means that the bylaw was passed some time at the  
15 end of July.

16 Q. So would it be your understanding  
17 based on your email from Exhibit 616 that the  
18 success element number 1 in Exhibit 613 was  
19 satisfied by July 31st, 2005?

20 A. It is a fact. The fact is true, but  
21 whether it was complied with within the scope of  
22 the contract or outside that I cannot judge.

23 Q. Now, if you look again on the last  
24 page of Exhibit 613 and success element number 2  
25 relating to third party billing, what bylaw or

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1 Mr Zoltan Galig  
2 you have any reason to believe Mr Kisjuhasz was  
3 wrong in making that certification?

4 A. Well, I was not involved in this  
5 contract. All the answers I gave was -- or  
6 pertained to the question whether the tasks that  
7 were given me were complied with or not. Or the  
8 tasks that were written down here were complied  
9 with.

10 Q. And if I understand your testimony  
11 correctly am I right that as far as you knew task  
12 number 1 and task number 2 were completed by  
13 July 31st, 2005?

14 THE INTERPRETER: Sorry, just one  
15 moment (Interpreter clarifies point with witness).  
16 Sorry.

17 THE WITNESS: So I said that the  
18 tasks were complied with or were met, but I did  
19 not make a connection with the contract.

20 MR DODGE: Then I ask you to look  
21 at task number 3.

22 Q. And my question is, we are looking  
23 at the last page of Exhibit 613, can you tell me  
24 which bylaws are implicated by task number 3?

25 A. Yes, evidence 615, page 2, item 2,

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1 Mr Zoltan Galig

2 definition of relevant markets.

3 Q. And was -- do I understand that to  
4 mean that by the date of your email in exhibit 615  
5 July 28th, 2005, success element number 3 had been  
6 met?

7 A. Yes. But I do not know who met this  
8 particular criteria.

9 Q. I understand. Now, focussing again  
10 on Exhibit 615, there is the email in the middle  
11 of the first page from Mr Balogh to you where he  
12 writes: "So is EVERYTHING okay?"; do you see  
13 that?

14 A. Yes, I see.

15 Q. And you testified about that  
16 earlier today?

17 A. Yes.

18 Q. Then there is an email from you to  
19 Andras Balogh on the same day at 22.00 where you  
20 write: "Yes"; do you see that?

21 A. Yes.

22 Q. Was that your answer to Mr Balogh's  
23 question?

24 A. Yes.

25 Q. Does Exhibit 615 discuss the status

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1 Mr Zoltan Galig

2 of the RIO bylaw?

3 A. No, it does not talk about this  
4 bylaw.

5 Q. Now, you described a period of time  
6 when you were providing regular status reports to  
7 Mr Balogh on the development of the bylaws; do you  
8 recall that testimony?

9 A. Yes, I do.

10 Q. And you testified about reports  
11 that you provided in late July of 2005, and in the  
12 middle of August of 2005; do you recall that?

13 A. I did not define the period, but I  
14 just said, yes, there was a period when I had to  
15 provide regular reports to Mr Balogh.

16 Q. You anticipated my question! Which  
17 is, how long did that period last?

18 A. I do not remember.

19 Q. Did there come a time when you no  
20 longer had to provide reports to Mr Balogh?

21 A. I presume I had to provide him with  
22 any reports as long as the bylaws were not  
23 promulgated.

24 Q. You testified before about  
25 Exhibit 616 which you said was one of the reports,

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1 Mr Zoltan Galig  
2 is that right?

3 A. Yes.

4 Q. Can you provide an estimate for me  
5 of how long after August 11, 2005, you continued  
6 providing reports to Mr Balogh?

7 A. I do not remember.

8 Q. Do you have a general sense whether  
9 the total length of time was something closer to  
10 2 weeks, 2 months or 2 years?

11 A. Well, I am going to guess only that  
12 must have lasted to some time in the fall. But the  
13 regularity went down. So frequency went down.

14 Q. When you say "the fall" do you mean  
15 the fall of 2005?

16 A. Yes, that is correct. I presume.

17 Q. Is that your best estimate today  
18 based on your recollection?

19 A. Yes.

20 Q. I ask you to take a look at  
21 Exhibit 614; was this also one of the reports to  
22 Mr Balogh?

23 A. 614 you said?

24 Q. 614, yes.

25 A. As I see the first letter was

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1 Mr Zoltan Galig

2 written by Dejan. That is when I was commissioned  
3 to give regular information. I may have been  
4 obliged early on as well to give such information,  
5 I just do not remember.

6 Q. So if you look at the first email  
7 from Mr Siljanovski dated July 27th, 2005, does  
8 that email discuss the RIO bylaws?

9 A. I do not see it on the list. This  
10 may be attributable to our carelessness.

11 Q. But the RIO bylaw, was that one you  
12 were paying attention to at the time, is that  
13 right?

14 A. That is the case.

15 Q. Now ask you to take a look at 618,  
16 please, this is the same one ...

17 (Exhibit 618 previously marked)

18 Did I correctly understand your testimony earlier  
19 you said this was prepared jointly by yourself and  
20 a colleague?

21 A. Yes.

22 Q. Who was that colleague?

23 A. It is a good question. As I recall  
24 it was Eleanor Telova, but I am not absolutely  
25 sure. But we also received information from